

Old Age, Disability, Death

First laws: 1906 (salaried employees) and 1924 (wage earners).

Current laws: 1988–1994.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 27.97 crowns.

Coverage

Employees, members of industrial production cooperatives, advanced students, farmers, artists, and self-employed persons.

Source of Funds

Insured person: 6.8%.

Employer: 20.4% of payroll.

Government: Any deficit.

Maximum earnings for benefit purposes: 2,500 crowns a month, plus 1/3 of earnings between 2,501–6,000 crowns and 1/10 between 6,001 and 10,000 crowns.

Above contributions also finance work-injury benefits and family allowances.

Qualifying Conditions

Old-age pension: Men, age 60 (55–58 if in unhealthy or arduous work); women, age 53–57 according to number of children raised. 25 years of employment (proportionately reduced pension at age 65 if 10–24 years).

Substantial retirement ordinarily necessary.

Not payable abroad unless agreement.

Pensions are not taxed.

Disability pension: Total disability (disabled for all work), or partial disability (1/3 loss of earning capacity). 5 years of employment in last 10 years (1–4 years if under age 28).

Survivor pension: Deceased met pension requirements or was pensioner at death.

Old-Age Benefits

Old-age pension: 50% of average covered earnings during highest 5 of last 10 years, plus 1% of earnings per year of employment between 26 and age of retirement.

Minimum pension (with full career): 1,146 crowns a month plus amount necessary to bring total monthly income to 2,460 crowns, (4,360 for a couple). Supplement of 220 crowns per month as inflation adjustment.

Maximum: 5,520 crowns a month for new pensions.

Higher rates for unhealthy and arduous occupations.

Increment of 4% a year for work and deferral of pension after pensionable age.

Reduced pension: 2% of earnings times years of employment; minimum, 1,146 crowns a month.

Dependents' supplements: 620 crowns a month for wife age 65 or disabled.

Social pension: Up to 2,460 crowns a month paid after means test at age 65, if no other pension.

Permanent Disability Benefits

Disability pension: 50% of average earnings, plus 1% of earnings

per year of actual and credited employment between 26 and 42 years. Minimum full pension: 1,146 crowns a month plus amount necessary to raise total income to 2,460 crowns, (4,360 crowns for a couple); Higher rates for unhealthy and arduous occupations.

Constant-attendance supplement: 200, 400, or 600 crowns a month, according to degree of disability.

Reduced pension: 2% of earnings times years of actual and credited employment.

Dependents' supplements: 620 crowns a month for wife age 65 or disabled 340–490 crowns for first child (subsequent children receive ordinary family allowance).

Partial disability: 50% of earnings related component of total disability pension plus flat-rate component of 420 crowns.

Social pension: Same as for old-age social pension.

Survivor Benefits

Survivor pension: 60% of earnings related component of pension of insured plus flat rate of 420 crowns. Minimum pension, 450 crowns a month.

Payable to all widows for 12 months. Thereafter, only to widows age 50 (age 45 if 2 or more children reared, or any age if disabled, caring for child, or 3 or more children reared).

Widowers caring for child, 1,420 crowns a month.

Orphans: 30% of earnings related component of pension of insured plus flat rate component of 420 crowns for each half-orphan under age 15 (26 if student or disabled); minimum: 948 crowns a month.

Full orphans: 50% of earnings related component of pension of insured plus flat rate component of 420 crowns.

Minimum, 600 crowns a month.

Full orphans and widows eligible for additional benefit necessary to bring total income to 2,460 crowns a month (4,360 for two persons).

Funeral grant: Lump sum of 3,000 crowns.

Administrative Organization

Ministry of Labor and Social Affairs of the Czech Republic; subsidiary offices on a district level administer payment of benefits through post office and prepare papers and applications for pensions and administer payments of benefits through joint office..

Sickness and Maternity

First law: 1888.

Current laws: 1956, 1992 (cash sickness benefits), 1966, 1992 (medical care), 1968, 1992 (maternity benefits), 1994.

Type of program: Social insurance.

Coverage

Cash benefits: Employees, members of industrial production cooperatives, and advanced students. For self-employed persons sickness insurance is voluntary as of January 1994.

Source of Funds

Insured person: Sickness and maternity, 1.2% (self-employed, 4.8%). **Medical care,** 4.5%.

Employer: Sickness and maternity, 3.6%. **Medical care,** 9%.

Government: Any deficit.

Qualifying Conditions

Cash sickness and medical benefits: Currently in a covered category (no minimum period of coverage).

Eligibility continues for 6 weeks after coverage ceases.

Cash maternity benefits: 270 days of insurance in last 2 years.

Eligibility continues for 6 months after employment ceases.

Sickness and Maternity Benefits

Sickness benefit: For 1st 3 days, 50% of earnings; from 4th day, 69%. Maximum benefit, 270 crowns a day. Payable from 1st day of incapacity for up to 1 year, or 2 years if recovery likely.

Maternity benefit: 69% of earnings. Maximum, 186 crowns a day. Payable for 28 weeks (37 weeks for single mother and multiple births) including at least 6 weeks before confinement.

Workers' Medical Benefits

Medical benefits: Medical services provided directly to patients through facilities of public and private health service. Medical treatment, hospitalization, medicines, dental care (with limited cost sharing), maternity care, appliances, travel expenses, sanatorium and spa treatment, and partial cost of holiday camps. Duration: No limit.

Dependents' Medical Benefits

Medical benefits for dependents: Same medical services as for family head. In addition, all resident children under age 15 receive medical care in own right, as do all women in case of maternity care.

Administrative Organization

Cash benefits: Ministry of Labor and Social Affairs of the Czech Republic; subsidiary offices on a regional and district level. District offices approve applications and control payment of benefits by employing enterprises.

Medical services: Ministry of Health, national administration. Services provided through district health centers and hospitals, local health centers, and clinics in individual establishments.

Work Injury

First law: 1887.

Current laws: 1956 (short-term benefits) and 1975 (pensions); 1990 (self-employed), 1992.

Type of program: Social insurance system.

Coverage

Employees and members of industrial production cooperatives, farmers and other self-employed persons.

Coverage

Insured person: See pension contribution, above.

Employer: See pension contribution, above.

Government: Same.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefits: Same as cash sickness benefits.

Permanent Disability Benefits

Permanent Disability Benefits: Same as general disability.

Workers' Medical Benefits.

Medical benefits: Same as for ordinary sickness above.

Survivor Benefits

Survivor Benefits: Same as basic survivor benefits.

Funeral grant: Lump sum of 3,000 crowns.

Administrative Organization

Temporary disability benefits: Ministry of Labor and Social Affairs of the Czech Republic; subsidiary offices on a regional and district level. District offices approve applications and control payment of benefits by employing enterprises.

Permanent disability and survivor pensions: Ministry of Labor and Social Affairs of the Czech Republic. Social Security Administration of the Czech Republic.

Medical benefits: Ministry of Health, and district and local health centers and factory clinics.

Unemployment

First law: 1991, 1992.

Type of Program: Unemployment assistance.

Coverage

Czech Republic citizens, at least 15 years old and capable of working.

Source of Funds

Insured person: 0.75%.

Employer: 2.25%.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: Registered with the Labor Office as looking for work. Employment for at least 12 months in the past three years.

Unemployment Benefits

Unemployment benefit: 60% of earnings during first 3 months; 50% for next 3 months. Minimum: 3,300 crowns per month.

Administrative Organization

Ministry of Labor and Social Affairs of the Czech Republic; Labor offices and district social security offices determine eligibility and make payments.

Family Allowances

First law: 1945.

Current law: 1968, 1993.

Type of program: Employment-related system.

Coverage

Employees, members of industrial production cooperatives, advanced students, and social insurance beneficiaries with 1 or more children. Special system for members of agricultural cooperatives.

Source of Funds

Insured person: See pension contributions above.

Employer: See pension contributions above.

Government: Same.

Qualifying Conditions

Family allowances: Child must be under age 15 (26 if student or disabled). Employee must normally be working full time. (Disabled and single women at least half time.)

Family Allowance Benefits

Family allowances: 340 crowns a month for each child under age 6, 380 crowns if between 6 and 10, 450 crowns if between 10 and 15, and 490 crowns above age 15. Supplement of 600 or 800 crowns for disabled child.

Birth grant: Lump sum of 4,500 crowns for each birth.

Parents' allowance: 1,740 crowns a month (child under 3, disabled child up to 7) if caring for child at home.

Administrative Organization

Ministry of Labor and Social Affairs of the Czech Republic; subsidiary offices on district level.

District social security offices determine eligibility, keep records and make payment to self-employed. Employing establishments keep records and pay allowances to own employees.

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